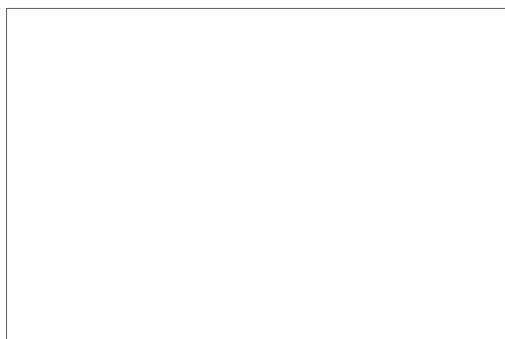


Chron

22 OCT 85

STAT



TRANSMITTAL SLIP		DATE 22 OCT 85
TO:		
ROOM NO.	BUILDING	
REMARKS: Here is a copy of our debt data and methodology. I hope it will be useful. John		
FROM:		
ROOM N		

STAT

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FORM NO.
1 FEB 56 241REPLACES FORM 36-8
WHICH MAY BE USED.

(47)



Appendix A: Methodology

Sources of Data

The primary data sources used for our debt and debt service estimates are the World Debt Tables (WDT) published by the International Bank for Reconstruction and Development (IBRD), the International Financial Statistics (IFS) published by the IMF, and the Maturity Distribution of International Bank Lending published by the Bank for International Settlements (BIS). The WDT provides information through 1983 on medium- and long-term official and officially guaranteed debt and debt service positions for 105 countries. It compiles all medium and long-term debt of governments and official agencies as well as private-sector debt that is guaranteed by an official agency in the debtor country. The WDT also supplies estimates on private nonguaranteed debt and debt service for 21 countries. (U)

The IFS publishes information on foreign bank assets -- broken down into interbank loans and loans to nonbanks -- in developing countries and on foreign nonbank deposits in LDC banks. The data come from the banking authorities in the G-10 (1) countries, Austria, Bahrain, Denmark, Hong Kong, Ireland, Singapore, and Switzerland, and information provided by the monetary authorities of over 100 developing countries. Most of the information is current to yearend 1984. (U)

The semiannual BIS publication (2) provides information on external assets of commercial banks located in the G-10 countries, Switzerland, Austria, Denmark, Ireland, and certain foreign affiliates, with the most recent data being the positions at the end of June 1984. External assets include bank loans and other debt instruments held by reporting banks, such as bonds. The assets are broken down into debt maturing in one year or less, debt maturing in over one and up to two years, and debt maturing in over two years. (U)

Another important source of data is the OECD, which provides debt and debt service estimates for both official and private nonguaranteed debt through 1983. Its compilers attempt to include debt of all maturities on an individual country basis, although short-term debt estimates are available only for 1982 and 1983. In addition, the OECD covers all developing countries. Other data sources we have used include debt estimates made by LDC governments, embassy estimates, and open-source reports. (U)

Estimating Medium- and Long-Term Debt

For most countries we estimated medium- and long-term debt from WDT, IFS, and BIS data. Data on debt from official sources were taken from the WDT. The base for debt from private sources was derived by taking WDT data on disbursed debt

(1) The Group of 10 includes eleven nations: the United States, West Germany, the United Kingdom, France, Italy, Japan, Canada, the Netherlands, Belgium, Sweden, and Switzerland. (U)

(2) The BIS also publishes a quarterly report on the asset position of Western banks, but it does not break down the data by maturities. (U)